Overview

Brazil has a large and diversified economy that offers US companies many opportunities to export their goods and services. As Brazil's largest single trading partner, the US enjoys a strong reputation in a variety of sectors. This report is one of a series that is published by the US Commercial Service's team of sector experts throughout the year. If you do not see an opportunity for your product here, please check out our other reports at www.buyusa.gov/brazil and consider contacting us directly to find out if we can help you export to Brazil.

E-Commerce in Brazil - Q&A

What are the most popular search engines in your country? How does a U.S. manufacturer submit sites to those search engines?

Most popular are Google, Uol, Terra, Aol, and Yahoo. According to the Brazilian Association of Internet Service Providers (ABRANET) there are currently more than 1,000 ISPs in Brazil but only five large companies hold 50 percent of the market share in terms of Internet users

Is it necessary to have the site in the local language for the website to be indexed?

No. Any language can be indexed.

Is it necessary for the site to have the domain of the country? If so, is it possible for a U.S.-based site to obtain the local domain?

Not necessary. But if the foreign company wants to have a local domain ".com.br" the company will need to have a local legal representative. The domain must be registered at http://registro.br

Are there any popular online marketplaces or auctions, like amazon.com or ebay.com in the US?

Yes. Most popular on-line market places are http://www.americanas.com.br,

http://www.livrariasaraiva.com.br, http://www.webmotors.com/, http://www.marketplace.com.br/. The equivalent to Ebay in Brazil is http://www.mercadolivre.com.br

Can the exporter advertise its Internet site/product/service in pop up ads on the local ISP's networks? Are there any regulations on Spam or privacy? Other e-commerce laws?

There are no restrictions for pop ups. Spam is a worldwide problem and the regulators are concerned about it and trying to



find ways to identify who sent it. But there are not special regulations in place so far.

Are there restrictions on advertising (Are comparative ads allowed? Are there restrictions on ads targeting children? Is it permissible to use lotteries, competitions, contests, games or bets as part of a promotional offer?)

No – Brazil tends to follow the same rules that are applied in the US. Lotteries and games are also allowed.

To what extent can a buyer in this market pay for an order over the Internet by use of a credit card or other Internetbased financing vehicle, such as Pay Pal?

A buyer is free to purchase things over the Internet. The Brazilian Central Bank is trying to track Internet transactions in order to control the remittance of money to other countries but these new rules are still not in place.

Are Internet transactions recognized as legal sales contracts? Is there a digital signatures law that recognizes digital signatures?

Internet transactions as well as digital signatures are recognized as legal operations but it is strongly suggested that US companies consult with a local law firm to avoid legal problems in the future.

Would there be any undue Customs or related delays incurred on Internet-transacted sales?

US exporters may sell directly to Brazilian consumers or distributors. However different Brazilian customs rules apply to these types of transactions. As far as shipments to distributors or Brazilian Trading companies, US exporters can only sell to Brazilian companies that are registered with the Secretetariat of Foreign Trade (SECEX) of the Ministry of Development, Industry and Commerce (MDIC). SECEX plays a central role in the implementation of directives on trade issues in general. With respect to sales to end users or consumers, US exporters may ship the goods directly to them.

Is there a national webseal or trustmark program in this market that increases consumer confidence? E.g., BBBOnline in the U.S..

No. There is no such a seal in Brazil.

If disputes arise between seller and buyer, is there a timely and low cost dispute resolution mechanism available?

It is always suggested to use a competent local attorney. The price will depend on the complexity of the dispute.

Can U.S. manufacturers participate in local government procurements via Internet based tenders? If so, how are these tenders publically advertised?

No. If a US company wants to participate in the local government procurements via Internet, the US company will need to have a local representative. Joint ventures/Licensing agreements are the best way to compete in the segments of the government procurement market or in other market subject to government regulation such as telecommunications and energy. Usually joint ventures are established through two main legal formats: "sociedades anonimas" or "limitadas" which are legally similar to corporations and limited partnership in the US.

Is there any additional advice you would give to U.S. exporters targeting this market through the Internet?

Licensing agreements are common forms of accessing the Brazilian market. Use of a competent local attorney in structuring such an arrangement is advised. All licensing and technical assistance agreements, including trademark licenses,

must be registered with the Brazilian Industrial Property Institute (INPI) at http://www.inpi.gov.br

US companies interested in additional information about Internet-E-Commerce in Brazil should contact the U.S. Commercial Service in Brazil - Ms. Ebe Raso, Business Development Specialist - Ebe.raso@mail.doc.gov

US companies also can check at the following websites for additional information about the Internet in Brazil:

- Comite Gestor de Internet no Brazil (Brazilian Internet Management Committee) http://www.cg.org.br/regulamentacao/ato-norm-ing.htm
- ABRANET Brazilian Association of Internet Service Providers. http://www.abranet.com.br/
- Camara E-Net Brazilian Chamber of Electronic Commerce
 http://www.abranet.com.br/
- Internet domain Registration in Brazil http://registro.br/ Secretetariat of Foreign Trade (SECEX) of the Ministry of Development, Industry and Commerce (MDIC) http://www.desenvolvimento.gov.br/sitio/secex/opeComExterior /impProcedimentos/impProcedimentos.php
- U.S. Companies interested in additional information about this sector should contact US Commercial Service Trade Specialist in Brazil Ebe Raso at: Ebe.Raso@mail.doc.gov
- For a good overview of exporting to Brazil, please look at out US Country Commercial Guide to Brazil: www.focusbrazil.org.br/ccg
- US Commercial Service in Brazil: www.buyusa.gov/brazil
- For more information on this sector in other countries, please visit Export.gov's website for US Commercial Service Market Research Worldwide:

http://www.export.gov/marketresearch.html

To the best of our knowledge, the information contained in this report is accurate as of the date published. However, The Department of Commerce does not take responsibility for actions readers may take based on the information contained herein. Readers should always conduct their own due diligence before entering into business ventures or other commercial arrangements.

With its team of industry sector experts, the US Commercial Service can assist US exporters gain entry into the Brazilian market through market research reports, matchmaking services and advocacy programs. The Commercial Service has offices in Brasilia, São Paulo, Rio de Janeiro, Belo Horizonte and Porto Alegre. You can visit us at www.buyusa.gov/brazil or contact us at sao.paulo.office.box@mail.doc.gov.